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Chair: Mr. Tommo Monthe ..... (Cameroon)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kelapile

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The meeting was called to order at 10.10 a.m.

Organization of work (A/C.5/66/L.28)

1. **The Chair** invited the Committee to consider the proposed programme of work for the first part of the resumed sixty-sixth session, prepared on the basis of the note by the Secretariat on the status of preparedness of documentation (A/C.5/66/L.28).

2. **Mr. Benmehidi** (Algeria), speaking on behalf of the Group of 77 and China, recalled that the proposed programme of work was customarily considered provisional. As in the past, the Bureau should amend it throughout the session in order to reflect the consultation process. Adequate time should be allocated for thorough and successful discussion of the new and deferred items to be taken up by the Committee, including the capital master plan, accountability and a number of reports of the Joint Inspection Unit and the Office of Internal Oversight Services (OIOS).

3. The status of documentation for the session remained a matter of concern: important reports had been issued late and some had yet to be issued, a situation which contravened the rules of procedure of the General Assembly and placed Member States and the Advisory Committee under time pressure, affecting the quality of deliberations. In future, reports should be made available six weeks prior to the start of each session.

4. **Mr. Errázuriz** (Chile), speaking on behalf of the Community of Latin American and Caribbean States (CELAC), said that the Committee's programme of work included topics of great importance to CELAC, including the capital master plan, conditions of service for judges of the international courts and tribunals, programme criticality in the area of safety and security, and standards of accommodation for air travel.

5. Noting that the capital master plan had already required a great financial commitment from all Member States, CELAC members were deeply concerned that the forecast delays in progress and the plan's high associated costs could lead to a request for more resources. The Secretariat should do everything possible to adhere to the initially approved budget and deadlines. Believing that the renovated Headquarters complex should reflect the cultural and historical heritage of all United Nations members equally, CELAC recalled the request made by its predecessor, the Rio Group, for a dedicated space for the Latin American and Caribbean region in the public area of the complex.

6. With regard to standards of accommodation for air travel, the Secretariat should ensure efficient use of resources, avoid unnecessary expenditure and promote efficiencies which could be allocated to other substantive activities funded through the regular budget. In examining options for financing unforeseen and extraordinary expenses arising from resolutions and decisions of the Human Rights Council, CELAC would take account of the proposals contained in all the relevant reports of the Secretary-General and the Advisory Committee.

7. **Mr. Mayr-Harting** (Observer for the European Union), speaking also on behalf of the acceding country Croatia; the candidate countries Iceland, Montenegro, Serbia and the former Yugoslav Republic of Macedonia; the stabilization and association process countries Albania and Bosnia and Herzegovina; and, in addition, Georgia and the Republic of Moldova, said that he hoped that the insights gained at the recent informal plenary meeting of the General Assembly on the internal working methods of the Fifth Committee would be translated into action through decisions reached by collegiality and consensus, without excessive haste or meeting hours.

8. Member States had shown flexibility at the main part of the sixty-sixth session by adopting a programme budget for 2012-2013 which reflected the continued relevance of and need for the United Nations, while also acknowledging the global economic crisis and the increasing constraints affecting national budgets. However, the approval and implementation of the Organization's budget was not a one-time event; it required the continued efforts of Member States. The much-needed budgetary consolidation and restructuring must be pursued in the course of 2012.

9. In view of the difficult financial climate, the Organization's resources must be used effectively and efficiently, with strict budgetary discipline. The Secretary-General's leadership in streamlining and prioritizing funding requests and identifying areas for savings was welcome. The Secretariat should move beyond incremental budgeting, by establishing business plans and monitoring the business methods of every department and programme to keep recurrent expenditure under close review.

10. As staunch supporters of the United Nations system and effective multilateralism, the Member

States of the European Union also supported a more effective, efficient and leaner Organization which ensured better delivery of mandates through innovation and change management. They therefore welcomed the views expressed in that connection by the Secretary-General at the end of the main part of the sixty-sixth session, and the five-year action agenda which he had presented to the General Assembly on 25 January 2012. They stood fully behind the Change Management Team's mission of building confidence in the United Nations through a modern, engaged and efficient Secretariat, which was transparent and accountable in its work, managed resources responsibly and delivered high-quality results. Enhancing trust and confidence, engaging staff, improving working methods and rationalising structures and functions were key to achieving that goal.

11. Turning to the agenda for the first part of the resumed sixty-sixth session, he recalled that ensuring that the Organization was effectively financed was as vital as ensuring that it was effectively managed. In accordance with General Assembly resolution 64/248, the Committee must reach agreement on the future methodology for the scale of assessments, to provide a sustainable and more equitable financing architecture based on Member States' actual capacity to pay. In the absence of consensus on the issue at the end of the main part of the sixty-sixth session, the Member States of the European Union had proposed the establishment of a group of eminent persons to review the methodology, based on a successful 1994 precedent. As the status quo was not an option, they urged that such a group should be constituted without delay, and that it should establish a report to be considered by the Committee on Contributions and by the Fifth Committee in December 2012. Given that the agenda item had already been deferred to the current session, the proposal was the only sensible option to prepare for the discussions during the sixty-seventh session of the General Assembly.

12. The European Union strongly supported the capital master plan and its goal of creating a modern, safe and sustainable work environment. While the progress of the work on the Secretariat and Conference buildings, and the integration of sustainability concerns into the plan, were positive, concerns remained about the plan's timeline, budget and governance. The member States of the European Union wished to state clearly that they would not accept further assessments on the Member States of the Organization, and remained confident that associated costs could and would be absorbed within the existing approved budgets.

13. An effective accountability system depended on mutual trust, effective cooperation, common objectives, reliable measurements and associated sanctions and incentives. Mainstreaming a culture of accountability, including in the daily activities of all United Nations staff members — the Organization's greatest asset — was a key priority for the European Union, which commended the work undertaken by the Department of Management in that regard. While the establishment of a foundation for enterprise risk management was a welcome development, the great challenge of linking institutional and organizational performance to personal accountability and results-based management remained. Other priority issues before the Committee included adjusting the standards of accommodation for air travel in order to better balance the effective delivery of mandates and the efficient use of resources, and ensuring that adequate and timely funding was provided for expenses arising from decisions of the Human Rights Council.

14. **Ms. King** (Australia), speaking also on behalf of Canada and New Zealand, said that the first part of the resumed sixty-sixth session offered the Committee an opportunity to provide strategic guidance and improve the transparency, efficiency, operation and management of the United Nations. Australia, Canada and New Zealand had set out their views on the internal working methods of the Fifth Committee at the 10 February 2012 informal plenary meeting of the General Assembly, and supported the principles expressed by the observer for the European Union. They would continue their pragmatic, constructive and consensus-oriented search for ways to maintain fiscal discipline in an uncertain economic environment, ensure effective delivery of agreed mandates, and promote the important reforms announced by the Secretary-General.

15. An effective, highly professional and operationally independent internal oversight function within the United Nations was of critical importance. Positive consideration should be given to the proposal of the Under-Secretary-General for Internal Oversight Services to make OIOS audit reports public, subject to certain safeguards, as a measure which would promote transparency and accountability across the Organization and increase public confidence in, and engagement with, the United Nations. Lastly, the three

delegations remained concerned by the pace of the capital master plan, which must be implemented efficiently and within the allocated budget.

16. **Mr. Okochi** (Japan) said he wished to raise once again three key points highlighted by the Permanent Representative of Japan during the informal plenary meeting of the General Assembly on the working methods of the Committee. First, efforts to improve those working methods should focus on achieving timely, well-informed and consensus-based agreement. In that connection, the Bureau's proposal to complete the first part of the resumed session within three weeks was reasonable and attainable, provided that delegations were flexible from the beginning, rather than simply at the end, of their discussions. Any overrun would be costly. Second, the resumed session offered a good opportunity to further the vital task of encouraging more mutual trust within the Committee, as the programme of work went beyond the approval of financial resources to encompass systemic issues, including limited budgetary discretion, accountability and standards of accommodation for air travel, which required common approaches to shape a better future for the Organization. Third, his delegation's proposal to change existing seating practice in order to allow representatives of the Group of 77 and China to sit side by side with delegates from Japan and other States had been widely welcomed. He hoped that, as the efforts of the President of the General Assembly were ongoing, and would include a retreat on 13 and 14 April 2012, the proposal would be further examined as a step which, symbolic though it might seem, reflected the world's diversity and dynamism.

17. **Mr. Apakan** (Turkey) said that he was confident that the Member States would bring to the first part of the resumed sixty-sixth session the same flexible and constructive spirit that had enabled the adoption of the budget for 2012-2013, so that the programme of work could be completed in time.

18. His delegation supported efforts to improve and streamline the Committee's working methods, which required cooperation between the Secretariat and Member States. In their deliberations, delegations should pursue effective decision-making by focusing on strategic issues, avoiding micromanagement, making better use of the e-services offered by the Secretariat and avoiding lengthy debates on topics covered in other Main Committees of the General Assembly.

19. The availability of documents sufficiently in advance of their discussion remained a concern, despite the Secretariat's praiseworthy efforts to ensure timely issuance and the fact that the situation had somewhat improved. While delegations had an undeniable right to seek information from the Secretariat, they should, as part of improving the Committee's working methods, aim to reduce the number of requests for supplementary documents.

20. His delegation strongly supported the Secretary-General's five-year action agenda, the work of the Change Management Team and efforts to improve the working environment in the Secretariat. A culture of institutional and personal accountability must be promoted. Enterprise risk management and an internal control framework were essential tools, and all the initiatives undertaken, including those to further results-based management, must be fully integrated and harmonized with each other.

21. The Organization could not fulfil its mission effectively without sufficient resources. Turkey honoured its financial obligations in full and on time, believed that all Member States must do the same, and regarded its contribution as being fair and in line with the current methodology for establishing the scale of assessments for the regular budget. The evolving economic strength of countries should be appropriately reflected in the scale of assessments in line with the principle of capacity to pay. In that respect, depending on its economic dynamics, Turkey was ready to assume further commitments.

22. It was natural that Member States' views on a number of elements of the adjustment of the scale of assessments should diverge. Faced with the lack of consensus at the end of the main part of the sixty-sixth session, his delegation supported further consideration of the proposal to establish an ad hoc intergovernmental working group on the matter, but was currently unconvinced of the need for another independent body to take up the issue.

23. His delegation was grateful to the outgoing Under-Secretary-General for Management and to the Assistant Secretary-General and Executive Director of the capital master plan for their efforts in ensuring progress in the implementation of the plan. He hoped that a more accurate projection of total budget requirements, including associated costs, would be

provided during the sixty-seventh session of the General Assembly.

24. **Ms. Puertas** (Peru) said that her delegation would offer its full support to help conclude the first part of the resumed session within the three-week time frame proposed by the Bureau. Although the Secretariat had issued most of the documents for the session on time, it was important to note that the delays in issuing several of them had had a direct impact on the timely submission of related reports of the Advisory Committee. Moreover, the Fifth Committee depended on the timely issuance of reports in order to complete its work within the scheduled time.

25. The programme of work contained many critical topics, in particular the programme budget for the biennium 2012-2013, the capital master plan, the scale of assessments for the apportionment of the expenses of the United Nations, the Joint Inspection Unit and the review of the efficiency of the administrative and financial functioning of the Organization. An issue of particular concern related to the 2012-2013 budget was the lack of financing for unforeseen and extraordinary expenses arising from resolutions and decisions of the Human Rights Council; appropriate financial resources must be allocated to meet those needs.

26. **Mr. Torsella** (United States of America) said that he welcomed the adoption, during the main part of the sixty-sixth session, of a budget that was financially responsible, reflecting worldwide fiscal constraints, and the Secretary-General's leadership in promoting a more careful stewardship of resources and encouraging higher standards of performance in the Organization. His delegation supported the statements made by the observer for the European Union and the representative of Australia, speaking also on behalf of Canada and New Zealand, and looked forward to building on the foundations for reform established in the budget, which should include actions to implement structural and sustainable management reforms in 2012.

27. The topics included in the programme of work for the first part of the resumed session offered Member States the opportunity to advance key parts of a reform agenda that should be a priority for all who wished to strengthen the United Nations. Action on issues such as accountability, standards of accommodation for air travel, limited budgetary discretion for the Secretary-General, the report of the Joint Inspection Unit for 2011 and programme of work for 2012, and the public disclosure of OIOS audit reports could enhance trust in the Organization and support the fulfilment of its mission.

28. The Committee should continue to stress the urgent need to maintain the renovation of the Headquarters complex within the established budget and schedule. His delegation was considering the Secretary-General's proposal on additional sources of financing for the capital master plan and looked forward to receiving more information on the status of the project. An update on the feasibility study for the United Nations Headquarters accommodation needs for 2014-2034 would also be welcome. In order to make an informed decision on the future space requirements of the Organization in New York City, the Secretariat must develop more detailed information on all alternatives and provide evidence of its needs, contributing to a full cost-benefit analysis of all of the options available without prejudice to any General Assembly decision.

29. The recommendation regarding the financing of unforeseen and extraordinary expenses arising from resolutions and decisions of the Human Rights Council made by the Advisory Committee in its report on the subject (A/66/7/Add. 16) should be implemented before any other funding mechanism was contemplated. His delegation was paying close attention to the comprehensive review of the pension schemes for members of the International Court of Justice and the judges of the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda (A/66/617). While acknowledging the historic work accomplished by the judges under difficult circumstances, it believed that decisions concerning pension schemes should consider which options were best for the United Nations as a whole.

30. His delegation would address later, in the context of the report of OIOS on the subject (A/60/674), the proposal of the Under-Secretary-General for Internal Oversight Services to make internal audit reports available on the OIOS website, but at the current stage simply wished to welcome that step and the commitment it demonstrated to increasing transparency. He also looked forward to considering the Secretary-General's report on progress towards an accountability system in the United Nations Secretariat (A/66/692). There must be a continued focus on the Organization's commitment to fostering a culture of accountability across the Secretariat.

31. His delegation was very concerned over the lack of leadership, and resulting delays, in the implementation of Umoja, the enterprise resource planning project, but commended the Secretary-General for moving quickly to appoint a well-qualified Interim Director, Mr. Ernesto Baca, formerly of the World Food Programme, and hoped that the important project would advance in the manner envisioned by Member States.

32. While the United States strongly supported reform of the Joint Inspection Unit, with the aim of revitalizing that body and creating more opportunities to strengthen accountability and effectiveness throughout the United Nations system, the Unit's own analysis of the options in that regard fell short of the kind of bold and far-reaching reform that would help it to promote results and accountability in the United Nations system.

33. His delegation reaffirmed its belief that genuine, meaningful and voluntary consensus was the only legitimate basis for decisions of the Fifth Committee and looked forward to concluding the session within the time allotted. It recalled that the motivation for that important principle was to ensure that budgetary decisions would not be the result of one group imposing its views on another and that any outcome would meet with the approval of all States, whether developed or developing, small or large.

34. **The Chair** said he took it that the Committee wished to approve the proposed programme of work on the understanding that the Bureau would take into account the views expressed and make the necessary adjustments.

35. *It was so decided.*

Agenda item 140: Joint Inspection Unit (A/66/34 and A/66/684)

36. **Mr. Zahran** (Chair, Joint Inspection Unit), introducing the report of the Joint Inspection Unit (JIU) and programme of work for 2012 (A/66/34), said that JIU, in response to the request made by the General Assembly in its resolution 65/270, would continue to improve its performance and relevance to the work of the United Nations system, on the basis of the ongoing reform process, initiated by the Unit in 2003. Reform focused on five areas: the relevance of JIU reports; follow-up to JIU recommendations; working methods; professionalism of staff; and the composition of the Unit. Internal management changes and revised internal working procedures, including quality assurance improvements, had led to progress in the first four areas. The fifth area of reform, changes to the composition of the Unit, could not be achieved by the Unit alone, and required action by the Member States. An internal review of JIU evaluation practices and methods had confirmed full compliance with the norms and standards of the United Nations Evaluation Group.

37. In 2011, the Unit had completed 11 reports and one Note, bringing to 23 its total number of evaluations for 2010-2011. It had devoted substantial human and financial resources to developing a web-based system to track implementation of its recommendations by participating organizations. The General Assembly had contributed to that development process by authorizing the Secretary-General to make an early payment of the United Nations portion of the related cost-sharing arrangement. The system would be operational by mid-2012, and training would be provided for Member States and participating organizations. The Unit had also worked to overhaul its website and digitize its archives in order to make all of its products publicly available online by the end of 2012.

38. Also in 2011, the Unit had tested a new, interactive approach to establishing its programme of work for 2012 and 2013, in order to reduce the workload of its secretariat and participating organizations. For 2012, the Unit had screened and selected from the suggestions made by the participating organizations 12 new projects, 3 of them mandated by legislative bodies, including the General Assembly. For 2013, it had identified a preliminary list of projects. Those changes would also facilitate planning of resources approved for the biennium.

39. The Unit actively participated in system-wide initiatives. For example, it had hosted two meetings in Geneva to support the evaluation of the Delivering as One approach and, in connection with the decisions made by the General Assembly in its resolution 64/289, had seconded an inspector to serve part-time in the Deputy Secretary-General's reference group on system-wide evaluation. The Unit welcomed the preliminary outcome of the independent external consultants' review, which had confirmed that, as the only independent external oversight body of the United Nations system mandated to conduct system-wide evaluations, inspections and investigations, JIU must play a central role in creating a more effective system-

wide evaluation mechanism. He hoped that that view would receive the support of the General Assembly when it came to discuss the consultants' findings later in 2012. The Unit stood ready to undertake any new assignments Member States should delegate to it, but, as the consultants had pointed out, such an increase in activity was not cost-neutral and would have implications for the way the Unit organized its work and resources.

40. The Unit remained committed to its mandate and trusted that the Committee would act to ensure that JIU reports were discussed and submitted for consideration to the relevant legislative bodies, in particular the General Assembly, and that JIU recommendations and their follow-up were given due consideration.

41. **Ms. Lee** (Secretary of the High-level Committee on Programmes, United Nations System Chief Executives Board for Coordination), introducing, on behalf of the Chief Executives Board for Coordination (CEB) and the Secretary-General, the note by the Secretary-General on the report of the Joint Inspection Unit for 2011(A/66/684), recalled that the note had been prepared pursuant to a request made by the General Assembly in its resolution 65/270 for the Secretary-General, in his capacity as CEB Chair, to expedite the implementation of that resolution and provide support to JIU. For each JIU report, the CEB secretariat collected and collated responses from the participating organizations and prepared a note by the Secretary-General summarizing those responses. A consolidated report was then compiled and ultimately transmitted to the governing and legislative bodies of the participating organizations for consideration.

42. The CEB secretariat supported JIU throughout the preparation of its programme of work by providing guidance to inspectors and reviewing reports with a system-wide impact. In addition, the secretariat continually strove to make available the notes by the Secretary-General on completed system-wide reports in a more timely manner. The close partnership had ensured that the CEB secretariat received JIU reports shortly after publication. The CEB secretariat's efforts to elicit more prompt responses to requests for comments from participating organizations were contributing to a more effective preparation process. It was increasingly common for the CEB secretariat to work closely with the Unit's inspectors during the preparation of draft reports, which helped to ensure that the collective views of CEB members were included in the final documents. CEB and its high-level committees continually found other ways to enhance cooperation between the CEB secretariat and JIU within the existing limited capacity.

43. CEB greatly valued the work of the Unit. The ongoing dialogue between the secretariats of CEB and JIU had measurably improved mutual cooperation to further the collective effort towards a stronger, more effective and efficient United Nations system working as one. The Secretary-General would continue to pursue a closer working relationship with JIU and ensure that the United Nations system supported the Unit's long-term objectives, particularly in light of possible measures to strengthen the CEB secretariat.

44. **Mr. Mihoubi** (Algeria), speaking on behalf of the Group of 77 and China, said that the Group attached great importance to the work conducted by JIU, the sole external and independent system-wide oversight body for the United Nations system, on the basis of its statute. Its reports on systemic issues were relevant to and benefited agencies within the system as well as Member States, helping to promote greater coordination within the United Nations system.

45. The Group welcomed the efforts made by JIU to carry out its programme of work for 2011. The legislative organs of all participating organizations should consider and discuss JIU reports, while their secretariats should fully implement the accepted recommendations. The Unit's progress on creating a web-based recommendation tracking system was also a welcome development. He commended the fact that 90 per cent of the participating organizations had paid their portion of the cost-sharing arrangement for the development of the system early, and urged the remaining organizations to do the same.

46. The Group had noted with concern that the Unit had been prevented from meeting all of its expected accomplishments for the medium term — as set out in its strategic framework for 2010-2019 — by the failure to provide the required increase in its budgetary resources, with the exception of resources for the web-based tracking system. The Group hoped that the Secretariat would provide clarification, recalling that the strategic framework had been approved by the General Assembly.

47. The Group noted the JIU programme of work for 2012, supported its commitment to addressing the backlog of ongoing projects and commended the contribution of participating organizations that had

submitted suggestions for projects for the year ahead. It welcomed the Unit's decision to establish a preliminary list of topics for its 2013 programme of work, easing the process of approving resources for the biennium.

48. The Unit's continuous efforts to improve its internal working procedures, harmonize its practices with the norms and standards of the United Nations Evaluation Group, share information, experience and best practices with other oversight bodies, including the Board of Auditors and the Office of Internal Oversight Services, were positive. Close coordination would help to prevent overlap and duplication of efforts.

49. The Group regretted that Member States had failed in some instances to abide by General Assembly resolutions mandating the issuance of visas for official travel of JIU inspectors and members of the JIU secretariat. All Member States should refrain from interfering with JIU affairs and should extend, without conditions, the requisite facilitation to enable the individual inspectors and JIU staff to undertake their tasks. The Group continued to believe strongly in the relevance of the Unit, its mandate and its important role as an independent external oversight body.

50. **Mr. Prokhorov** (Russian Federation) said that his delegation welcomed the efforts of JIU to make its working methods more efficient and effective, and the fact that, in 2011, it had not only maintained its output but developed a web-based tracking system to monitor implementation of its recommendations. The increase in collaboration between JIU and other oversight and coordination bodies, and regular contact with the Independent Audit Advisory Committee, would facilitate discussion of the JIU programme of work and help to prevent duplication of effort, with a consequent reduction in cost.

51. Any change to the composition of JIU and to the process of selecting JIU inspectors must be duly discussed with the Member States and must be reflected through appropriate amendments to the JIU statute. Any such changes must place no restrictions on the Member States' ability to nominate candidates, though of course those candidates must have the required profile, in accordance with the JIU statute.

52. **Mr. Zahran** (Chair, Joint Inspection Unit) said that he would respond fully to the various issues raised by delegations during the informal consultations. In response to the comments of the representative of the Russian Federation, he said that the Unit was bound to abide by its statute. The proposals for reform which JIU made to the Member States should be viewed as part of a concerted and continuous effort to fulfil its own responsibility to improve working methods. The selection of inspectors was the prerogative of Member States; their most important priority should be to propose the best qualified candidates, in line with the JIU statute and the relevant General Assembly resolutions. He was pleased to note that the current composition of the Unit reflected high standards and expected that recruiting the best qualified candidates would remain a priority for Member States in the future.

53. Another area of improvement was enhancing collaboration between the Unit and participating organizations. He had been pleased to hear the statement delivered on behalf of the Secretary-General and confirmed that cooperation with the CEB secretariat had facilitated the process of screening the topics proposed by participating organizations for inclusion in the programme of work. Those topics included system-wide issues and evaluations mandated by United Nations legislative bodies, in particular the General Assembly.

54. **Ms. Lee** (United Nations System Chief Executives Board for Coordination) said she would be happy to answer any questions posed by delegations.

55. **The Chair** asked which entity was best placed to monitor JIU inspectors and what were the best indicators of achievement.

56. **Mr. Zahran** (Chair, Joint Inspection Unit) responded that the Unit fell under the jurisdiction of Member States, which were the highest authority in the United Nations system. None of the other oversight bodies, including the Independent Audit Advisory Committee, the Office of Internal Oversight Services or the Board of Auditors had the scope or mandate to assess the work of JIU. As the only independent, external and system-wide oversight entity, JIU was subject to the supervision, direction and guidance of Member States.

Agenda item 142: Report on the activities of the Office of Internal Oversight Services (A/66/674)

57. **Ms. Lapointe** (Under-Secretary-General for Internal Oversight Services), introducing the report of the Office of Internal Oversight Services (OIOS) on the proposal on the dissemination and distribution of internal audit reports (A/66/674), said that, pursuant to

General Assembly resolution 66/236, the report set forth the parameters and modalities for making internal audit reports available to the general public. OIOS had taken care to include measures that would safeguard the sensitivity and confidentiality of the information contained in the reports, guided by the provisions of General Assembly resolution 59/272 and the Secretary-General's bulletins on staff rules and staff regulations of the United Nations (ST/SGB/2011/1) and on information sensitivity, classification and handling (ST/SGB/2007/6). In addition, OIOS had consulted with officials from the Department of Management, the Office of Legal Affairs and the Independent Audit Advisory Committee, and had taken their comments into appropriate consideration when finalizing the report.

58. The publication of internal audit reports would enhance transparency and accountability in respect of the cost, efficiency and effectiveness of United Nations operations. Furthermore, given that internal audit reports often revealed the operational strengths of the Organization, their disclosure would have a positive impact on the public's opinion of the United Nations and improve public awareness of its commitment to addressing any deficiencies in a responsible and timely manner.

59. **Mr. Mihoubi** (Algeria), speaking on behalf of the Group of 77 and China, said that the Group reiterated its support for the operational independence of OIOS, as reflected in General Assembly resolution 48/218 B. The Group also valued the assistance which the Office provided to the Secretary-General in fulfilling his internal oversight responsibilities; that support included the conduct of internal auditing, monitoring, inspection, evaluation and investigations in respect of the resources and staff of the Organization. Recalling the separate and distinct roles of internal and external oversight mechanisms, he encouraged OIOS to continue regular coordination and consultations with the Board of Auditors and the Joint Inspection Unit.

60. The Group valued the work of both internal and external oversight bodies and attached great importance to the issues of transparency and accountability. With regard to the distribution of OIOS internal audit reports, he recalled that discussion of the issue went as far back as 1993 and noted that paragraph 12 of General Assembly resolution 64/263 stated that OIOS reports were to be made available upon request only to Member States. The Group regretted that that provision had not been respected.

61. The report under consideration had been submitted in response to section I, paragraph 21, of General Assembly resolution 66/236, which addressed the recommendations contained in reports of the Independent Audit Advisory Committee on its activities (A/64/288 and A/66/299). The current discussion was therefore connected not with the activities of OIOS, but rather with the review of its mandate, as reflected in General Assembly resolutions 48/218 B, 54/244, 59/272 and 64/263. The Group had taken note of the issues outlined in the report and would be seeking clarification regarding several terms used as well as the compatibility of the proposal on the dissemination and distribution of internal audit reports with the existing OIOS mandates and the greater United Nations oversight framework.

62. **Mr. Torsella** (United States of America) said that his delegation welcomed the efforts of the Under-Secretary-General for Internal Oversight Services to promote and enhance transparency at the United Nations and commended the Secretary-General for recognizing that the initiative on dissemination of audit reports would enhance public trust in the Organization. The United Nations was at a critical juncture with regard to its handling of transparency, a value it espoused in its own advocacy work, and which was a defining ideal of the time. Many States had already acted to establish new standards for public openness and transparency about the working methods of public institutions. Many more States had made a commitment to take such action. At a time when people around the world were demanding greater accountability and transparency from their governments, the United Nations should not fall behind, but should ensure that it was at the forefront of such efforts and be held to the same standards; Member States should support the Organization's efforts in that direction.

63. The worldwide movement in support of transparency was motivated by the knowledge that making public institutions more open rendered them more responsive and accountable to the people they served. Greater transparency also helped build stakeholder confidence in those institutions, which translated into greater commitments, resources and opportunities. Public institutions committed to openness were also better poised to defend themselves from those who would use them for private motives.

64. As a global public institution, the United Nations was accountable not only to Member States, but to the

citizens who funded it and depended on it. It would be difficult to argue credibly that journalists and researchers, for example, did not have the same rights as diplomatic officials to read OIOS internal audit reports. Any uncomfortable facts that would be made public by those reports were bound to be revealed, regardless of any decisions taken by Member States. The Organization had before it the choice of whether to handle such disclosures in a way that suggested it had something to hide or in a way that affirmed that the United Nations was a mature and competent institution that was willing and able to identify and correct its own shortcomings.

65. The OIOS proposal would also have a positive impact on the quality of internal audit reports. Official publication of the reports would give managers a sense of ownership and motivation to effect change, while citizens would be able to access both the findings of audits and the subsequent responses by management. Member States should defer to the judgment of the Under-Secretary-General, an accomplished auditor of international standing whom they had entrusted with improving the functioning of OIOS and the Organization. He urged Member States to welcome the report with enthusiasm.

66. **Mr. Yanouka** (Israel) said that his delegation welcomed the OIOS proposal on the dissemination and distribution of internal audit reports. Internal oversight was a critical component of any organization, particularly one as large and complex as the United Nations. He reiterated his delegation's support for OIOS, which performed one of the most difficult and least rewarding functions within the Organization. Making internal audit reports available to the public on the OIOS website would help improve public opinion of the United Nations and serve as a deterrent to misconduct. The Israeli Supreme Court had recognized the importance of internal audits. In one of its rulings, it had affirmed that good governance was defined by the existence of critical examination; in order to be effective and strengthen oversight institutions, critical findings must be subject to public inspection in a timely manner.

The meeting rose at 11.50 a.m.